

EUCALYPTUS GROVE HOMEOWNERS ASSOCIATION
ANNUAL MEMBERSHIP MEETING
THURSDAY, JANUARY 11TH, 2024 (6:15PM) via Zoom
In Person: Goleta Valley Library (500 N. Fairview Ave., Goleta)
<https://ucsb.zoom.us/j/95672538616>
 Meeting ID: 956 7253 8616; Passcode: 71139

Meeting Minutes (Subject to Membership Approval)

The meeting was held at the Goleta Valley Library. Colin Smith, Board President, called the meeting to order at 6:19pm.

Board Members present:

Colin Smith - President
 Christine Hall - Vice President
 Owen Roth - Treasurer
 Tamara Simmons - Secretary
 Joe Mora - Member-at-Large

Managers & Employees present:

Bob Bartlein of Bartlein
 James Nguyen of Bartlein
 Julia Grigorian, Scribe

Roll Call

Approximately 40 people were present at the meeting. Overall, 96 units were represented, either by proxy or attendance. A quorum was achieved (90 proxies/attendees required).

Absences: None

Proof of Notice:

All owners of record were sent a Notice of Meeting on 12/11/23.

Prior Meeting Minutes from Annual Meeting of 2023:

At an Owner's request, the minutes from last year were read. Bob read through the annual meeting minutes from last year. Colin moved a motion to approve these minutes. Owen seconded. This was unanimously approved.

Officer's Reports:

The Treasurer's Report for 2023 was read, with the following year-end totals:

Total Revenue: \$971,401.50
 Operating Expenses: \$563,610.91
 Res. Expenditures: \$294,921.57
 Total Funds Available: \$2,588,735.13

As of 12/31/23, the Association Reserve is 66.9% fully funded.

Owners sought clarification on the appropriate funding level for the Association Reserve. Bob Bartlein affirmed that the Association should aim for approximately 75% funding. Cathy Leyva, a unit owner, sought additional clarification, highlighting that the Association was over 100% funded in 2018 but is now projected to be at 55% for 2024. When asked what is the lowest it should ever go, Bob answered 50% funding would be the lowest. Ashley Brocco, another unit owner, inquired about the Association's ability to control factors to keep rates lower. Kimberly Ray asked if the deductible increase was related to a water-damage-related issue, while Owen questioned whether the Association's claims were higher than previous years, potentially explaining the significant increase.

Bob Barlein agreed with the recommendation by Owner Tami Jauchen that the HOA governing documents subrogation be reviewed to allow the HOA to seek reimbursement from an Owner's insurance. Craig Nicholson, a unit owner, reiterated the urgency of clarifying the CC&R's sooner rather than later to avert future



issues. Bob clarified that this Association experiences more claims than many other Associations managed by Bartlein.

Joe moved a motion to approve the Treasurer's Report as presented. Chris seconds. The Treasurer's Report was unanimously approved.

Board President:

Colin expressed gratitude to everyone for their active participation in recent elections spanning the past few years. He provided an overview of the newly designated roles of caretaker and scribe, filled by Jim Dewey and Julia Grigorian, respectively. The Board's initiatives included the recruitment of new janitors and a thorough review of the management contract. Colin also delved into a decade-long retrospective of association dues, highlighted various committees such as EV/Solar, gym, and website, and discussed improving the key card system. Furthermore, he outlines the ongoing CC&R draft process and mentioned there are preventative measures aimed at reducing insurance rates.

Report by Other Board Members:

Owen Roth: Presented updates on EV progress, perimeter lighting, and gym-related matters.

Chris Hall: Shared accomplishments, including the installation of new signs around the pool and speed limit indicators to promote community safety.

Joe Mora: Discussed landscaping efforts undertaken by Envirosaping, his company, incorporating organic elements like owl cages, bees, and mulch. He reported substantial improvements in addressing the homeless issue.

Tamara Simmons: Introduced an online submission form designed to streamline the processing of complaints within the community.

Nominations for the Board:

The 2-year term of three Board Members - Colin Smith, Tamara Simmons, and Owen Roth were up for re-election.

Nominations:

- Catherine (Cathy) Leyva received a nomination, which was seconded.
- Colin Smith received a nomination, which was seconded.
- Craig Nicholson received a nomination, which was seconded.
- Tamara Simmons received a nomination, which was seconded.
- Chris Brocco received a nomination, which was seconded.

Tamara moved a motion to close nominations. Joe seconded. This was unanimously approved.

Due to the numerous candidates, the community will have an election to fill the vacant spots on the board, thus requiring an Inspector of Elections. Colin moved a motion to have Tom Doty as Inspector of Elections. This was seconded. This was unanimously approved. Bob said that we had to set a date for the ballots to go out. The Board decided January 17th. Chris moved a motion to have a special meeting for this ballot on February 22nd. There was no second. The motion fails. Owen moved a motion to open the ballot on March 14th. Joe seconded. This passed unanimously.

Excess Funds Resolution:

Craig moved to approve the Excess Funds Resolution. This was seconded. This was unanimously approved.



Board Action Confirmation:

The membership thanked the Board for their dedication and hard work and contributions to the Association throughout 2023 and approved the decisions made on behalf of the Association this past year. Craig moves. Tami seconded. This was unanimously approved.

New Topics of Discussion:

Budgetary Matters: Craig Nicholson proposed the inclusion of specific issues, such as responsibility for utility lines and external enclosures, on the official agenda. Tamara reminded Craig that there is a special meeting for this scheduled for February 1st. Craig stressed that he would like those in attendance to be able to discuss what that meeting is about beforehand. During this, he highlighted a legal opinion received by the Board in early 2023, categorizing these issues as common use. Craig emphasized the importance of preserving the existing CC&R's as they have been for 35 years to prevent increasing reserve liabilities. Bob (of Bartlein Management) clarified a 2017 law indicating that unless CC&R's are explicit in their detailing, the Association is responsible for anything in the common area. Chris stressed the importance of seeking additional legal opinion(s); for instance, one to give consideration to such things as a) legal definitions in effect at the time the CC&Rs were approved, and b) the length of time the old CC&Rs were in effect. Owner Craig Nicholson stated that a Legal Opinion is an opinion and as such, does not carry the weight of law.

Craig also raised concerns about the Budget's approval, but Bob clarified that a community vote on the budget is unnecessary. Disagreement arose about the accuracy of the budget, with Bob providing clarification on the due increase, mainly attributed to insurance, landscaping, and reserve increases. Owen added that inflation contributed to an approximate 5% overall increase.

Gas Lines: Community discussions ensued regarding gas lines, particularly in light of the incident in building 7640. Various opinions on who should be responsible for paying for gas lines were shared. Bob, to conclude this conversation, reminded everyone that while 5% of the community can call a meeting, a Board-initiated amendment ballot requires at least 51% approval for passage.

Communication and Meetings: Cathy Levya mentioned she would like to go back to in-person meetings, stating she appreciated the quality of meetings when there in person. Cathay also requested that Board members maintain professional communication, citing that respectful, professional behavior during these meetings should be the expectation. The scribe also agreed with this suggestion. Owner Rhea Harris-Junge stated that she received no response to three reports sent using the online feedback form. Tamara suggested that Rhea discuss it with her outside the meeting.

Special Meetings and Petition: Discussion ensued about the February 1st special meeting. Joe moved a motion to approve the Elks Lodge location and associated fees for using this venue. This was seconded by Tamara and unanimously approved. Tamara requested simultaneous dissemination of both sides of the petition points to the community. James requested any information or written responses be sent to him by January 18th to allow him ample time to gather what he needs and mail out the info to homeowners.

Adjournment:

Chris moved a motion to adjourn the meeting. This was seconded. The meeting was adjourned at 8:20.

